



THE CITY OF KEY WEST

201 William Street Key West, FL 33040 (305) 809-3790

EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager

FROM: Mark Tait, Marina Manager

CC: Sarah Spurlock, Assistant City Manager
Greg Veliz, Assistant City Manager
Doug Bradshaw, Director Port and Marine Services

DATE: September 30, 2014

SUBJECT: Key West Bight and City Marina Beacon Wi-Fi Contract Extension

ACTION STATEMENT: The purpose of this item is to approve a two year extension and an amendment to the original contract for Beacon Wi-Fi to provide Wi-Fi services at Key West Bight Marina and City Marina.

BACKGROUND: On June 14, 2011 the marinas entered into a contract with Beacon Wi-Fi to provide Wi-Fi services for the tenants and guests of the marinas. The contract was for three years with a provision for a two year extension under the same terms and conditions. The cost for the services is \$199 a month for each marina. The service is available to marina tenants for \$20 per month and is free to transient guests. Total cost for the three year contract was \$14,328 or \$7,164 per marina. Since the contract was under \$20,000 City Manager Jim Scholl was able to approve and sign the original three year contract.

At the end of the three year period marina staff elected to implement the two year extension of the contract under the same terms and conditions. On June 6, 2014 City Manager Bogdan Vitas signed the two year extension. The total cost of that extension was \$4,776 per marina for a total of \$9,552. Since then it has been determined by Purchasing and the Legal Department that the extension put the total cost of the entire contract over \$20,000 and would need City Commission (City Marina)/CRA (Key West Bight Marina) approval. During review by the Legal Department the City Attorney was not comfortable with the indemnification paragraph so an amendment changing that paragraph was created by Legal which has been signed by both Beacon Wi-Fi and the City Manager.

The City issued an interim partial purchase order to continue the contract until the City Commission/CRA could approve the full contract extension.

Key to the Caribbean – Average yearly temperature 77° F.

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ADVANTAGES/ DISADVANTAGES:

- Beacon Wi-Fi provides a valuable amenity to the tenants and guests of the marinas.
- Staff has not found a comparable company that can provide the same coverage to these properties because of the property size.
- Beacon has provided adequate service for the past three years.
- Legal has reviewed the contract between the City of Key West and Beacon Wi-Fi.

FINANCIAL IMPACT: The cost of the two year Beacon Wi-Fi extension is \$4,776 (\$2,388 per year) per marina and is budgeted for FY 14/15.

Key West Bight 405-7503-575.3400 \$2500

City Marina 413-7551-575.4301 \$2500

RECOMMENDATION: Staff recommends that the City Commission/CRA approve the two year extension and amendment to the original contract for Beacon Wi-Fi.